

NAESCO Support for HB 5806

NAESCO urges the Committee to approve HB 5806 because we believe that extending the maximum term of Energy Savings Performance Contracts (ESPC) in community colleges will deliver significant benefits to the people of Michigan. These benefits include:

- Helping colleges minimize the waste of taxpayer dollars in the operation of inefficient and obsolete equipment in college buildings;
- Enabling colleges to re-direct money currently spent on wasted energy into a payment stream for longer-payback retrofits (e.g., heating and air conditioning systems, roofs and geothermal systems) that significantly lower long-term operating costs;
- Relieving taxpayers of the burden of new taxes to pay for needed capital improvements in college facilities;
- Creating hundreds of good jobs for local construction contractors and trades people; and,
- Stimulating local economies by keeping dollars currently spent on wasted energy imported from other states and regions in Michigan.

Thank you in advance for the consideration of our request. We are happy to answer any questions that you, other members of the Committee, or Committee staff have about the benefits of extending the maximum terms of ESPC contracts.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald Gilligan", with a stylized flourish at the end.

Donald Gilligan
President